



## DEPARTMENT OF GENERAL SERVICES

Executive Office • 1325 J Street, Suite 1910 • Sacramento, CA 95814-2928

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December 9, 1999

The Honorable Steve Peace, Chair  
Joint Legislative Budget Committee  
State Capitol, Room 3060  
Sacramento, CA 95814

Dear Senator Peace:

In accordance with Government Code Section 16582, which created the Accounts Receivable Management Act, please find enclosed the Department of General Services' 1999 Accounts Receivable Report.

If you have any questions regarding the enclosed report, please have your staff contact David Villanueva, Office of Fiscal Services, at (916) 323-8035.

Yours sincerely,

CLIFF ALLENBY, Interim Director  
Department of General Services

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Enclosure

cc: Michael J. Gotch, Legislative Secretary, Office of the Governor  
Happy Chastain, Deputy Secretary-Legislation, State and Consumer Services  
Agency  
Karen Neuwald, Assistant Director-Legislation, Department of General Services

To:  
**ACCOUNTS RECEIVABLE MANAGEMENT ACT REPORT**  
98/99 FISCAL YEAR  
DF-582a (REV 12/97)

Client Services  
P.O. Box 460 Mail Stop G 04  
Rancho Cordova, CA 95741-0460

The following reporting format for the Accounts Receivable Management Act is divided into three sections: Part I, Part II, and Part III. You must complete all of the sections in Part I and Part II and as many sections in Part III as possible. If applicable, you may check more than one item per question.

## PART I

### DEPARTMENT/AGENCY:

Department of General Services

### CONTACT NAME:

Lisa Johnson

### ADDRESS:

1325 J Street, Suite 1604

### TITLE:

Accountant Trainee

### CITY/STATE/ZIP

Sacramento CA 95814

### PHONE NUMBER:

916-323-8034

### FAX NUMBER

916-323-4622

## PART II

### 1. DESCRIPTION OF YOUR PRESENT ACCOUNTS RECEIVABLE SYSTEM:

a. Are your accounts receivable maintained in an automated or a manual format?

☒ Automated, electronic-based format ☐ Mainframe ☒ PC-based (stand alone) ☐ Manual, paper-based format

b. Are your accounts receivable maintained at one or more locations?

☐ Centralized ☒ various locations If so, number of locations

TWO (2)

c. How are your accounts receivable collected?

☒ Internal accounting/collections staff ☐ Contract accounting/collections agency

d. How are your accounts receivable identified?

☐ Social Security Number (SSN) ☐ Federal Employer Identification Number (FEIN)

☐ California Corporate Number ☒ Name and Address ☒ Other DGS Customer Account Number

### 2. DESCRIPTION OF ACCOUNTS RECEIVABLE, EXCLUDING THOSE ACCOUNTS DUE FROM LOCAL, STATE AND FEDERAL GOVERNMENT AGENCIES:

Number of accounts receivable (debts due your agency) at the beginning of fiscal year 98/99: 3262

Dollar value of those accounts: \$ 1,131,095

## PART III

If you cannot provide all of the information requested below, please answer as many of the following questions as possible. For example, for question number 2, provide information for as many of the categories listed as possible.

1. **DESCRIPTION OF ACCOUNTS RECEIVABLE, EXCLUDING THOSE ACCOUNTS DUE FORM LOCAL, STATE, ANI FEDERAL GOVERNMENT AGENCIES:**

- a. Number of accounts receivable you added during fiscal year 98/99: 5855  
Dollar value of those accounts: \$ 2,863,534
- b. Of the number of accounts receivable due your agency at the beginning of fiscal year 98/99, the number of accounts collected: 826 ; dollar values of those accounts \$ 306,544
- c. Of the number of accounts receivable due your agency at the beginning of fiscal year 98/99, the number of accounts you wrote off: 2108 ; dollar values of those accounts \$ 112,237

2. **INVENTORY OF ACCOUNTS RECEIVABLE** as of June 30, 1999.

(You may round to the nearest \$1,000, but show in whole dollars, not thousands.):

<u>DOLLAR AMOUNT</u>	<u># OF ACCTS. RECEIVABLE</u>	<u>DOLLAR VALUE</u>
\$0-\$500	959	60,336
\$501-\$1,000	88	72,455
\$1,001-\$2,500	86	134,084
\$2,501-\$5,000	23	80,001
\$5,001-\$10,000	31	219,035
OVER \$10,000	22	287,284

3. **OTHER COMMENTS**

N/A

4. **AGE OF ACCOUNTS RECEIVABLE INVENTORY** as of June 30, 1999.

(You may round to the nearest \$1,000, but show in whole dollars, not thousands.):

<u>AGE</u>	<u># OF ACCTS. RECEIVABLE</u>	<u>DOLLAR VALUE</u>
0-30 DAYS	65	13,952
31-60 DAYS	72	13,459
61-120 DAYS	137	23,002
121 DAYS-1 YEAR	424	86,244
OVER 1 YEAR	511	716,539

5. **ACCOUNTS RECEIVABLE ASSIGNED TO PRIVATE DEBT COLLECTION AGENCIES, FISCAL YEAR 98/99**

WHAT NUMBER OF ACCOUNTS WERE ASSIGNED TO PRIVATE DEBT COLLECTION AGENCIES? 0

DOLLAR VALUE \$ 0

6. **COLLECTION GOAL (DEFINED AS A PERCENTAGE OF THE DOLLARS AVAILABLE FOR COLLECTION THAT YOUR DEPARTMENT EXPECTS TO COLLECT IN 1999/2000 FISCAL YEAR):**

The Department of General Service's collection goal for the 1999/2000 fiscal year is to clear 97% of ALL accounts receivable within 60 days of issuance; clear 99% of the accounts receivable within 90 days of the issuance.

7. **RECOMMENDATIONS FOR IMPROVING ACCOUNTS RECEIVABLE COLLECTIONS (E.G., ADMINISTRATIVE ASSISTANCE, AND NEW AUTHORITY NEEDED) (Attach additional sheet(s) as necessary.):**

Department of General Services strategy to improve collections is to:

- Implement the acceptance of credit card payments for payment of aged receivables (SB 603).
- Establish additional State agencies on the Department's Electronic Fund Transfer system.
- Implement the acceptance of Wire Transfers for payment of Federal aged receivables (EFT99).
- Evaluate the viability of acceptance of electronic payment from local government agencies.